



House of Representatives

General Assembly

File No. 299

January Session, 2003

House Bill No. 5264

House of Representatives, April 10, 2003

The Committee on Planning and Development reported through REP. WALLACE of the 109th Dist., Chairperson of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING AN OPTIONAL INCREASE IN THE VETERANS' PROPERTY TAX EXEMPTION.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-81f of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2003, and*
3 *applicable to assessment years commencing on and after October 1, 2003*):

4 (a) Any municipality, upon approval by its legislative body, may
5 provide that any veteran entitled to an exemption from property tax in
6 accordance with subdivision (19) of section 12-81 shall be entitled to an
7 additional exemption applicable to the assessed value of property up
8 to the amount of [ten thousand dollars] ten per cent of such assessed
9 value, provided such veteran's qualifying income does not exceed the
10 applicable maximum amount as provided under section 12-81l by
11 more than twenty-five thousand dollars.

12 (b) Any municipality, upon approval by its legislative body, may

13 provide that any veteran's surviving spouse entitled to an exemption
14 from property tax in accordance with subdivision (22) of section 12-81
15 shall be entitled to an additional exemption applicable to the assessed
16 value of property up to the amount of [ten thousand dollars] ten per
17 cent of such assessed value, provided such surviving spouse's
18 qualifying income does not exceed the maximum amount applicable to
19 an unmarried person as provided under section 12-811 by more than
20 twenty-five thousand dollars.

21 (c) Any such veteran or spouse submitting a claim for such
22 additional exemption shall be required to file an application on a form
23 prepared for such purpose by the assessor, not later than the
24 assessment date with respect to which such additional exemption is
25 claimed, provided when an applicant has filed for such exemption and
26 received approval for the first time, such applicant shall be required to
27 file for such exemption biennially thereafter, subject to the provisions
28 of subsection (d) of this section. Each such application shall include a
29 copy of such veteran's or spouse's federal income tax return, or in the
30 event such a return is not filed such evidence related to income as may
31 be required by the assessor, for the tax year of such veteran or spouse
32 ending immediately prior to the assessment date with respect to which
33 such additional exemption is claimed.

34 (d) Any person who has submitted application and been approved
35 in any year for the additional exemption under subsection (a) or (b) of
36 this section shall, in the year immediately following approval, be
37 presumed to be qualified for such exemption. During the year
38 immediately following such approval, the assessor shall notify, in
39 writing, each person presumed to be qualified pursuant to this
40 subsection. If any such person has qualifying income in excess of the
41 maximum allowed under said subsection (a) or (b), such person shall
42 notify the assessor on or before the next filing date for such exemption
43 and shall be denied such exemption for the assessment year
44 immediately following and for any subsequent year until such person
45 has reapplied and again qualified for such exemption. Any person
46 who fails to notify the assessor of such disqualification shall make

47 payment to the municipality in the amount of property tax loss related
48 to the exemption improperly taken.

This act shall take effect as follows:	
Section 1	<i>July 1, 2003, and applicable to assessment years commencing on and after October 1, 2003</i>

PD *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Municipalities	Effect	FY 04 \$	FY 05 \$
Various Municipalities	Cost	Minimal	Minimal

Explanation

Municipalities electing to increase the optional property tax assessment exemption would experience a minimal loss in their net grand list (assessed value less exemptions allowed under state law). It assumed that the impact to a municipality would not significant enough to require an adjustment to their mill rate to offset a minimal net grand list reduction.

OLR Bill Analysis

HB 5264

**AN ACT CONCERNING AN OPTIONAL INCREASE IN THE
VETERANS' PROPERTY TAX EXEMPTION****SUMMARY:**

This bill expands the number of veterans and their surviving spouses who are eligible for an optional property tax exemption. Specifically, it increases the maximum income a person can have and be eligible for the program by \$25,000, to \$41,200 for a single veteran or a survivor of a veteran and \$45,000 for a married veteran. To be eligible for the optional benefit, the person must be eligible for the \$1,000 property tax exemption that municipalities must provide for veterans and their surviving spouses.

The bill generally increases the maximum exemption by establishing the maximum value of the exemption at 10% of the property's value, rather than \$10,000. Thus, for properties assessed at more than \$100,000 it increases the maximum exemption, while for properties with a lower assessment, it reduces the maximum exemption.

EFFECTIVE DATE: July 1, 2003 and applicable to assessment years starting on and after October 1, 2003.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Report

Yea 16 Nay 0